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1. [redacted] practically all foreign property in Shanghai has now /Mar 54/ been confiscated. About the last company to be taken over, I am told, was the Compagnie Francaise de Tramways et d'Eclairage de Shanghai. [redacted] this company was still operating under a Communist Controller and paid rent to use the lines in areas other than the former French concessions. The Communists had taken over all lines in the city. If what I was told is true all the lines have now been amalgamated.
2. Other changes of which I am aware include the extension of the tramway along the Bund in the direction of Nantou. I do not know how far this line was extended. Cost of riding the tram in May 53 varied between JMP\$400 to JMP\$1300.
3. Many new buses were added to the transportation system in Shanghai. The engines and structural parts of these buses were made in China, but the bodies were imported from one of the eastern European countries. Costs of riding the bus system varied from JMP\$500 to a maximum of JMP\$1500.
4. The Communists never use the word "confiscate" when they take control of some foreign property. US property is "managed" by a Communist Controller through the China Realty Company--a US firm. [redacted]
[redacted] apartments. The taxes on the house became so great a burden she was forced to give the property to the Communists. She retained the apartment house, but in name only. The Communists manage it for her and in return she gets a rent free apartment plus JMP\$1 million per month. Rents for these apartments had been JMP\$270 thousand per month, but in Mar 53 the Communists raised the rents to JMP\$600 thousand.

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5. [redacted] no ration cards were required to buy food and clothing, at least for foreigners, and goods were in sufficient supply except that there would sometimes be no meat for several days. The Chinese had to have cards to buy "ration rice". Russian immigrants in Brazil told me that everyone must now have ration cards for all grades of rice. Bread is still available and is used to fill out the ration for foreigners. Rationing to foreigners, I am told, started in November 1953 in Tientsin and Shanghai and consists of the following: two pounds of flour, two pounds of rice and an unknown amount of oil and meat per month. I am told that meat is in very short supply. 50X1
6. Many of the Shanghai shops are closed for lack of the foreign patrons that supported them, and because they are forced to sell their products at the same prices charged by the state stores, which they find impossible to do and still continue in business. However, there are many Russian products on the market and the Russians spend quite liberally. Before the Communists came to Shanghai certain kinds of fur coats were very inexpensive. Now, however, these same fur coats have greatly increased in price as a result of purchases by Soviet wives.
7. Chinese clothing is very poor, but some Russian materials seemed quite good. The dyes in the cotton material hold up well. Sausage, butter, chocolate and Russian wines are cheap and readily available. [redacted] a great deal of newsprint from the USSR stored at one of the warehouses of the Commercial Express Godown Co. 50X1
8. Radios were readily available, although most were old US radios. Cheap Chinese radios with US tubes were also for sale, but, as far as I know, there were no mass produced Chinese radios. All were, of course, registered with the police.
9. Another phenomenon of the Communist government is that all merchants paid their taxes. They never knew when someone might inform on them for not affixing the stamps to a bill. Several times [redacted] need not put the stamps on goods [redacted] but they insisted saying, "No, no, I am afraid!" 50X1
10. The following are prices of various articles of clothing and medical costs as of May 53. The medical expenses were incurred as a result of a physical examination [redacted] before the government would issue an exit permit. The clothing is, of course, western dress. 50X1
- a. Man's cotton shirt, cheaper quality: JMP\$ 35 thousand. Best quality, white: JMP\$240 thousand.
 - b. Man's leather shoes, best quality: JMP\$ 160-180 thousand.
 - c. Socks, good quality, silk: JMP\$ 17,500.
 - d. Trousers, good quality: JMP\$ 850 thousand.
 - e. Man's suit, good quality, material, and work: JMP\$ 1½ million.
 - f. Man's hat, western dress, best quality (which is poor): JMP\$ 75 thousand.
 - g. Cap (type worn by the Chinese Communists), best quality: JMP\$ 30 thousand.
- Medical expenses: X-ray of teeth: JMP\$ 4 thousand
Physical examination, including chest fluoroscope: JMP\$12,000 50X1
Lung X-ray; small picture: JMP\$ 22 thousand
Chest fluoroscope: JMP\$ 6 thousand

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